

United States Department of Agriculture

Forest Service



Record of Decision

Lands Administered by the Fishlake National Forest

Oil and Gas Leasing

Beaver, Garfield, Iron, Juab, Millard, Piute, Sanpete, Sevier, and Wayne Counties, Utah

August 2013

Fishlake National Forest, Utah Dixie National Forest, Utah

Cooperating Agencies: Bureau of Land Management (BLM), Richfield Field Office State of Utah, Governor's Office of Public Land Policy

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BACKGROUND

The Federal Onshore Oil and Gas Leasing Reform Act (P.L. 100-203) was enacted in 1987. The implementing regulations for the Bureau of Land Management (BLM¹) were published in 1988 and the Forest Service regulations were published in 1990. The regulations describe the procedures by which each agency will carry out its statutory responsibilities in the issuance of oil and gas leases.

In the case of oil and gas resources under public domain land managed by the USDA Forest Service, the BLM is responsible for advertising and selling available leases, and for monitoring subsurface activities related to exploration and development. Their monitoring role includes administering all Federal regulations pertaining to subsurface oil and gas development.

The Forest Service has the authority and responsibility to determine which National Forest System lands are available for oil and gas leasing, and the specific lands which the BLM may offer for lease. The Forest Service is also responsible for prescribing lease terms that provide reasonable protection to surface resources and values, approving the lessee's Surface Use Plan of Operations (SUPO), and insuring that the requirements of the leases and operating plans are carried out according to their terms. The regulations applicable to the above are found in Title 36, Code of Federal Regulations, Part 228, Subpart E.

The Oil & Gas Leasing Analysis Environmental Impact Statement (EIS) for the Fishlake National Forest was prepared in response to the requirements of the implementing regulations for the Leasing Reform Act. All legally available National Forest System lands on the Fishlake National Forest (N.F.) have been included in the Analysis Area. In 2011, the Dixie National Forest issued a decision designating lands available for oil and gas leasing on lands administered by the Dixie National Forest. That decision did not include National Forest System lands in the former Teasdale Ranger District. Those lands are included in this decision and are administered by the Fremont River District Fishlake N.F. under the direction of the Dixie National Forest Land and Resource Management Plan (Dixie LRMP). The Oil & Gas Leasing EIS for the Fishlake National Forest also includes all legally available National Forest System lands of the Teasdale portion of the Fremont River Ranger District in the Analysis Area.

The purpose of this Record of Decision (ROD) is to document Forest Service decisions regarding which lands will be administratively available for oil and gas leasing in accordance with 36 CFR 228.102(d) and authorize the BLM to offer those specific lands for lease. This decision includes the lease terms and stipulations determined necessary to protect the surface resources based on disclosure of environmental effects in the Oil and Gas Leasing Final EIS (FEIS). This ROD also documents the decision to amend the Fishlake National Forest Land and Resource Management Plan (Fishlake LRMP) and Dixie LRMP by providing more specific direction related to leasing requirements on associated National Forest System lands determined to be administratively available for oil and gas leasing.

The regulations, 43 CFR 3101.7-2(c), which pertain to leasing of Federal lands administered by an agency outside the Department of Interior, require the BLM to review and accept all

¹Definitions of acronyms used in this document can be seen in Section 5.2 of the FEIS.

reasonable leasing recommendations of the surface managing agency. In this case, these recommendations involve decisions on the administrative availability and authorization of specific lands for leasing, and stipulations needed to protect surface and subsurface resources within the Forest.

This ROD does not approve any ground disturbing activities. If lands are leased and the lessee proposes an Application for Permit to Drill (APD), only then would the agencies consider approval of proposed ground disturbing activities. Approval of ground disturbing activities would require a separate NEPA analysis and decision and compliance with other federal laws. If that additional site-specific analysis at the APD stage identifies issues or resources that warrant additional protection, the Forest Service can take full advantage of provisions included in the lease and stipulations to work with the lessee to protect forest resources.

DECISION

After carefully considering the administrative record of information, the applicable laws and regulations, the anticipated environmental impacts of the alternatives analyzed in the Final EIS, and the public's comments, we have selected Alternative C as presented in the Final EIS.

Our conclusions are based on the scientific analysis (and supporting project record) that demonstrates a thorough review of relevant scientific information, a consideration of responsible opposing views, and the acknowledgement of incomplete or unavailable information. The analysis identifies techniques and methodologies used, considers the best available scientific information, and references scientific resources relied upon. The analysis includes a summary of the credible scientific evidence relevant to evaluating reasonably foreseeable impacts.

Detailed Description of Our Decision, Including Stipulations and Lease Notices

Our decision will make approximately 1,707,810 acres of National Forest System land administratively available for oil and gas leasing and authorize the BLM to offer those specific lands for lease. These acres are administered by the Fishlake National Forest and include approximately 253,299 acres that are part of the Dixie National Forest (Teasdale portion of the Fremont River Ranger District). Oil and gas leases offered after this decision will include Standard Lease Terms (SLT&C) of the lease form, Lease Notices, and any stipulations identified as necessary for resource protection. The SLT&C, Lease Notices and other applicable stipulations are listed in Appendix A of the Final EIS. Table ROD-1 below displays the acreages available for leasing subject to the use of the stipulations governing Timing Limitation (TL), Controlled Surface Use (CSU), and No Surface Occupancy (NSO). Table ROD-2 summarizes the stipulations that will apply to each Resource. The FEIS also further defined each stipulation to provide the lessee with information or circumstances under which a waiver, exception, or modification would be considered. We are incorporating this direction into our decision. Our decision approves the amendment of the Fishlake LRMP and the Dixie LRMP as described in Appendices H and I of the FEIS to update management direction, the number of acres available. and leasing requirements associated with oil and gas leasing on lands administered by the Fishlake National Forest.

The location of the acres shown in Table ROD-1 is displayed on Figure ROD-1.

Table ROD-1. Approximate Acres Available For Leasing

Standard Lease Term or Stipulation	Acres
Standard Lease Term	62,468
CSU	209,120
TL	82,359
NSO 3/4 H 80.4% C	1,353,863
Total Administratively Available	1,707,810

CSU - Controlled Surface Use

TL – Timing Limitation

NSO - No Surface Occupancy

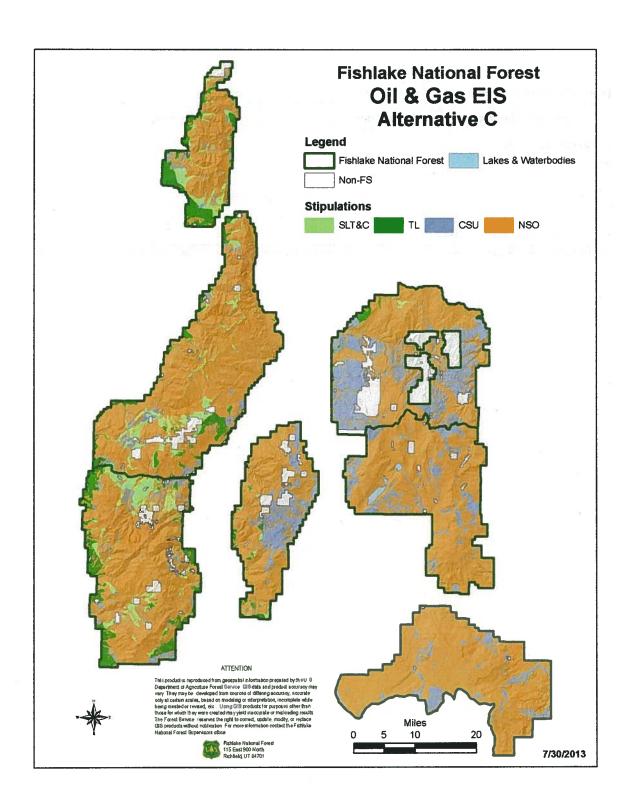


Figure ROD-1. Areas Administered by the Fishlake National Forest Available For Leasing by Stipulation

More detailed maps that show the specific resources that necessitate the use of the stipulations shown in Table ROD-2 are included in Appendix B of the FEIS.

Table ROD-2. Stipulations by Resource Area

Resource Area	Stipulation
Watershed resources	
Geologic hazards/unstable soils	NSO-01
Steep slopes >35 percent	NSO-02
Riparian areas	NSO-03
Delineated wetlands	NSO-04
Perennial streams, reservoirs, springs, and lakes	NSO-05
Orinking Water Source Protection Zone	NSO-06
Wildlife and Plant Species	
Threatened, Endangered, Proposed and Sensitive plants	NSO-07
Aquatic fauna	NSO-08
Greater sage-grouse leks	NSO-09
Pygmy rabbit colonies	NSO-10
Bald eagle winter concentration areas	NSO-11
Mexican spotted owl Protected Activity Centers	NSO-12
Goshawk core nest areas	NSO-13
Soshawk Post Fledgling Areas	CSU-01
Active Raptor nest areas	CSU-02
Bighorn sheep lambing areas, winter range, crucial elk calving and mule deer awning	TL-01 & 03
Crucial elk winter range and calving areas and mule deer winter range	TL-02
Greater sage-grouse brood rearing habitat	TL-04
Greater sage-grouse winter habitat	TL-05
Crucial mule deer winter range and fawning areas	TL-01 & 02
Visual resources	
ligh Scenic Integrity areas	NSO-14
nventoried Roadless Areas	
nventoried Roadless Areas	NSO-15
Recreation	
Developed recreation sites and National Recreation Trails	NSO-16
Other Resources	
Research Natural Areas	NSO-17
orest Service administrative sites and facilities	NSO-18
Cultural Resources, Old Spanish Trail, Paradise Valley, Quitchupah Canyon	NSO-19
Air quality	CSU-03

The NSO, TL, and CSU Stipulation requirements (FEIS Appendix A) serve to mitigate potential effects of Federal oil and gas activities. The lessee must accept these stipulations as conditions of purchasing the lease. These stipulations represent Forest Service decisions regarding the best means of avoiding or minimizing environmental impacts that may arise from the project while meeting the integrated resource management requirements of the Fishlake LRMP and Dixie LRMP.

Our decision also includes the following Lease Notices developed as part of this analysis (FEIS Appendix A). At a minimum, the following Lease Notices would be applied.

Table ROD-3 Lease Notices

Lease Notices by Resource Area	
ational Forest System Lands Under Jurisdiction of Department of Agriculture	
resence of Cultural Resources	
resence of Threatened and Endangered Species	
lexican Spotted Owl	
alifornia Condor	
Vestern Yellow-billed Cuckoo	
tah Prairie Dog	
ligratory Birds	
ensitive and Management Indicator Species (plants and wildlife)	
rinking Water Source Protection Zone	
ir Resources	

Rationale for Decision

We have reviewed the current environmental conditions, and the direct, indirect, and cumulative effects analyses for all actions proposed in each of the alternatives. We have also considered comments received from the public and other agencies. In making our decision, we considered:

- The degree to which each alternative met the purpose and need for action;
- The degree to which each alternative responds to significant issues; and
- The degree to which the alternative is responsive to public concerns and comments on the draft EIS (DEIS).

The discussion below details why we find that Alternative C best meets the purpose and need, responds to public concerns, and address resources issues.

Relationship to the Purpose and Need

The purpose and need for this proposal is to (1) decide which lands will be administratively available for oil and gas leasing in accordance with 36 CFR 228.102(d) and (2) determine what lease stipulations should be applied to which pieces of land to protect surface resources.

Alternative C includes lease terms and stipulations that we have determined are necessary to protect the surface resources. It makes significant acreage available for leasing while protecting

surface and subsurface natural resource values. While the alternative allows leasing on all 1,707,810 acres of the Fishlake and Dixie National Forests lands administered by the Fishlake National Forest, it contains lease terms and stipulations that protect environmental features and ensure sustainability of the natural resources. In choosing Alternative C, we have weighed the need for resource protection with the desire to make oil and gas leasing possible and profitable.

Key Features of the Decision

In the following discussion, we lay out our reasoning behind choosing Alternative C with respect to key features of the decision and how they address resource issues. Alternative C was developed to respond to commenters looking to better balance the opportunity to lease with protection for inventoried roadless areas, riparian areas, water quality, air quality, and important wildlife habitat. These key features are the basis behind our determination that Alternative C addresses the key features the best.

Future exploration and development

As described previously in the ROD and more fully in the FEIS, this decision applies to areas that this decision makes administratively available for leasing. While it does not fully dictate how leased areas are explored and developed, it discloses restrictions and practices that are applicable. This decision on stipulations and lease notices and their applicability allows potential lessees to understand the restrictions and information that will be used to guide development. At this time, we do not know exactly where exploration and development may occur; therefore, we use stipulations to limit activities that will be allowed under a lease in order to protect the resources if an Application for Permit to Drill (APD) comes in for review.

Some members of the public would like the leasing decision to be more conservative and restrictive to cover all the potential eventualities. Our decision is based on the reasonably foreseeable development scenario, developed using the best available information. The analysis associated with this EIS will be reviewed for sufficiency at the time specific parcels are considered for leasing. Additional site-specific analysis will occur at the APD stage. Should issues or resources be identified at the APD stage warranting additional protection, the Forest Service will follow provisions of the stipulations and lease notices and work with the lessee to protect forest resources. This will include prudent use of a provision in 43 CFR 3101.1-2 which allows the surface management agency to require movement of proposed facilities up to 200 meters to avoid negatively affecting resources.

Environmental Issues Considered

Issues serve to highlight effects or unintended consequences that may occur from the proposed action and alternatives, giving opportunities during the analysis to reduce adverse effects and compare trade-offs for the decision maker and public to understand. The environmental issues considered are the key issues used in the environmental analysis to formulate alternatives, prescribe mitigation measures, and analyze environmental effects. Our selection of Alternative C takes into consideration the degree to which the alternative met the purpose and need for action, the degree to which the alternative responded to these key issues, and the degree to which the alternative is responsive to public concerns and comments on the draft DEIS.

Riparian areas, wetlands, steep slopes, and unstable soils

One concern identified by some respondents about future development is that riparian areas and wetlands, steep slopes, and unstable soils may not be adequately protected. In Alternative C, these areas are covered by the No Surface Occupancy (NSO) stipulation, which would not allow well pads or other structures. Temporary exploratory activities, if directional drilling is technically and economically feasible, would allow well pads and other structures to be placed outside the area covered by the NSO stipulation.

Inventoried Roadless Areas

Forest Service policy requires that projects in inventoried roadless areas (IRA) evaluate impacts on roadless characteristics and wilderness attributes for potential future wilderness suitability. As one way to insure that roadless characteristics and wilderness qualities and attributes would not be negatively affected, Alternative C places a NSO stipulation on all IRAs.

Some publics felt that this is not restrictive enough, and that all IRAs should not be made available for lease, while one cooperating agency felt we may be essentially restricting too much land from oil and gas development. We believe that the key element to maintain roadless characteristics and wilderness character is to limit the amount of surface disturbance, particularly long-term surface disturbance. Thus, in Alternative C, we used a NSO stipulation that restricts surface occupancy, while still allowing for exploration in the IRAs without the use of roads and potential development outside the IRAs to extract oil and gas from under the surface of the IRAs. With the NSO stipulation, we are able to allow directional drilling under IRAs from outside those designated areas.

At this time, the technology exists to use directional drilling to access some of the potential reserves in these areas. We recognize that directional drilling is less precise and more expensive than conventional drilling methods and not all of the areas can be reached with this method. Typically, with current technology, reserves can be reached by directional drilling up to approximately a mile from a well site. We believe our decision allows current and future oil and gas extraction in IRAs, while maintaining the integrity of the roadless and wilderness character.

Greater sage-grouse habitats

In the spring of 2010, the US Fish and Wildlife Service found that greater sage-grouse were warranted for listing under the Endangered Species Act, but precluded due to other species having higher priority. We factored this finding into our decision and chose Alternative C, because it provides the most protection for sage-grouse and their habitat, while still allowing for oil and gas leasing opportunities.

The stipulations in Alternative C protect all greater sage-grouse habitats with NSO and timing limitation (TL) stipulations. Sage-grouse leks will have the NSO stipulation applied to a distance of 4 miles from the lek. This 4 mile buffer is in accordance with the most current scientific recommendation, follows FS Interim Recommendations (Oct. 2, 2012) and is in keeping with the recommendations from U.S. Fish and Wildlife Service. In addition, a TL stipulation will ensure that brood-rearing and winter habitats are protected. In order to afford extra protection to sage-grouse, we adopted the most recent guidance applicable to oil field development. Because the projected development under this decision is minor compared to the areas where the guidance has been developed and because of stipulation application described above, we believe that the persistence of greater sage-grouse is ensured.

Aquatic resources including fisheries

Many of our public and agencies comments included requests for additional restrictions in areas influenced by water. Alternative C was developed, in part, to provide additional protection for these areas. The use of the NSO stipulation is applied within 300 feet of wetlands, riparian areas, lakes reservoirs, perennial streams, and springs. Additionally, the 200-meter offset provision contained in 43 CFR 3101.1-2 can be used to address additional site-specific issues that come up at the APD stage.

We fully recognize the importance of aquatic and riparian resources both in terms of our responsibility in managing the lands administered by the Fishlake National Forest and the public needs and desires. We believe that Alternative C protects those critical resource values while allowing development of oil and gas resources.

Groundwater protection from future exploration and development

Groundwater is protected through BLM ground water protection measures and through lease stipulations and lease notices in the FEIS. The BLM regulates the exploratory and development well drilling and provides protection of groundwater through a planning process, implementation of lease stipulations and lease notices, BLM regulations, Onshore Oil & Gas orders, the Gold Book, mitigation, and monitoring. In Utah, the BLM utilizes Instruction Memorandum No. UT 2010-055 regarding Protection of Ground Water Associated with Oil and Gas Leasing, Exploration and Development – Utah BLM, dated July 20, 2010. In making our decision, we have reviewed the ground water protection measures described in the FEIS in section 3.9 Water Resources including Culinary and Municipal Water Systems, Surface, and Ground Water. In Alternative C, the lease stipulation that applies to groundwater protection is NSO in Drinking Water Protection Zones.

Cultural and historical resources protection

Several comments were received relative to the responsibility of the Forest Service to comply with National Historic Preservation Act (NHPA) and Executive Order 11593 and the importance of protecting cultural and historical resources within the project area. This responsibility is recognized as documented in the FEIS Section 1.9.2 (3). The decision on leasing is programmatic in nature and does not authorize specific projects. After leasing is authorized but before a specific project is permitted the process outlined by Section 106 of the National Historic Preservation Act (36 CFR part 800) will be followed. This process requires discovery, evaluation and consultation with the Utah State Historic Preservation Officer (USHPO) on National Register eligibility related to cultural and historical resources in the project area and, if needed, determines what must be done to avoid, minimize or mitigate project effects on significant sites.

This decision proactively protects any cultural resources within the project area through a lease notice, stipulation and SLT&C that will be required where applicable.

Specific comments were received relative to protection of the "Old Spanish Trail." We provide protection or avoidance of this and other known significant sites with their associated buffer zones after consultation with the USHPO through No Surface Occupancy Stipulation #19.

Response to Key Issues

Using the scoping comments from the public and other agencies, the Forest Service Interdisciplinary Team (IDT) developed the following list of key issues, defined as those issues directly or indirectly caused by implementing the Proposed Action. Significant issues are issues used to formulate alternatives to the Proposed Action, prescribe mitigation measures, or analyze environmental effects.

Our decision addresses and resolves the significant issues in the following ways:

<u>Issue #1: Wildlife Resources</u> – Activities associated with post-leasing oil and gas exploration and development could cause detrimental impacts to wildlife, including threatened, endangered, proposed, sensitive, migratory birds, and MIS. These impacts could include decreased security due to increased access, displacement, disruption of breeding and rearing of young, death of individuals, direct habitat loss, decrease to population trends, habitat fragmentation, and conflict with existing conservation agreements.

Response: The FEIS includes updated mapping of habitat for many key wildlife species. In Alternative C, Mexican spotted owl, bald eagle, sage-grouse, pygmy rabbit, goshawk, and boreal toad are all protected with a NSO stipulation. MIS are protected with stipulation or lease notices. A TL stipulation will be used to protect key habitat types such as crucial bighorn sheep, elk and mule deer winter ranges, bighorn sheep lambing, elk calving, and deer fawning ranges. The TL stipulation will restrict operations during critical times for wildlife. In addition, Lease Notices have been developed which put the lessee on notice that in habitats for threatened, endangered, sensitive, and other protected wildlife and plant species, they may have to survey and accept additional protection measures at the APD stage. Raptor nest sites as well as goshawk post-fledgling family areas are protected with a CSU stipulation.

The lands administered by the Fishlake National Forest include areas of priority and general sage-grouse habitat. Sage-grouse leks, brood-rearing habitat, and winter habitat are protected with NSO and TL stipulations.

When the current Utah Sub-Regional Greater Sage-Grouse RMP Amendment (Sage-Grouse Amendment) EIS is completed, all Utah forest plans will be amended to be compliant with the Sage-Grouse Amendment Record of Decision. If inconsistency occurs between the Fishlake N.F. Oil and Gas ROD and the Sage-Grouse Amendment ROD, amendments will be made to this decision so that it is consistent with the Sage-Grouse Amendment ROD.

<u>Issue #2: Unroaded/Undeveloped Areas (UUA)</u> – Activities associated with post-leasing oil and gas exploration and development could potentially change wilderness quality (intrinsic wilderness attributes brought forth from the Wilderness Act of 1969) of unroaded/undeveloped areas which are generally outside of but contiguous to an Inventoried Roadless Area.

Response: The selected alternative requires stricter environmental controls than Alternative B while still allowing for possible oil and gas exploration and development. It provides a better balance of surface resource protection while still making the land available for extraction of oil and gas resources than Alternative D. Although the SLT&C provide for significant protection of resources, the selected alternative places a much greater portion of lands administered by the Fishlake N.F. into a NSO status.

<u>Issue #3: Visual and Scenic Integrity</u> – Activities associated with post-leasing oil and gas exploration and development could degrade the scenic integrity of the Forest and cause a decrease in visitation and forest use.

Response: The decision places a NSO stipulation on frequently viewed areas that have high scenic integrity. Compliance with the NSO stipulation would preclude scenic integrity degradation resulting in few if any changes to visitation and forest use.

Areas of high scenic integrity were determined by developing Scenic Integrity Objectives (SIO) following methods consistent with direction in current FS manuals and handbooks. Maps illustrating the objectives are contained in Appendix B of the FEIS.

SIO were developed for the analysis of effects of oil and gas leasing on visuals They are consistent with the SMS system identified in Dixie Forest Plan Amendment #15 (Scenery Management System Non-Significant Amendment of the Dixie National Forest Land &Resource Management Plan) yet more refined because topographic features are used rather than buffers around transportation corridors and sensitive viewsheds. Current science and techniques using viewsheds were employed. Consistent analysis is provided with scenery management processes used on the National Forest System land administered by the Fishlake N.F. The analysis and stipulations to protect scenic integrity are consistent with the Dixie N.F. for the Teasdale Unit.

A majority of the sensitive scenic areas with potential for lease would not be seen while traveling on important routes, to or from Capitol Reef National Park, scenic byways, or to or from major communities. They are either not available for lease or are effectively screened by topography so as not to be readily apparent in linear view for an extended duration as seen by travelers.

Exploration and development actions can be appropriately designed and mitigated at the APD stage so that any activity associated with future exploration and development would meet appropriate SIO in both the intermediate and long terms.

<u>Issue #4: Geologic Hazards and Steep Slopes</u> – Ground-disturbing activities associated with oil and gas exploration and the subsequent development of roads, pipelines, and production fields may cause a decrease in slope stability within large areas of steep to very steep terrain. This could result in accelerated rates of soil erosion with rapid runoff events followed by a partial sedimentation of our local water bodies.

Response: The decision places a NSO stipulation on slopes greater than 35 percent, on North Horn sediment areas greater than 25 percent slope, and on areas with geologic hazards or unstable slopes. SLT&C requirements for application of Best Management Practices would prevent or minimize erosion and subsequent potential deposition of soil into water bodies. Construction of roads, pipelines and other similar facilities will be evaluated at the APD stage and must comply with direction from the Dixie or Fishlake LRMP. These actions would eliminate unacceptable soil loss and associated impacts on water quality.

<u>Issue #5: Water Quality</u> – Activities associated with post-leasing oil and gas exploration and development could cause adverse impacts to ground water and surface water.

Response: NSO stipulations protect the following areas and within 300 feet of them: riparian areas, wetlands, lakes, reservoirs, perennial streams, and springs. Exploration and development

activities on future leases will be evaluated at the APD stage, and further protection measures such as Conditions of Approval, BMPs, and provisions in the Standard Lease Terms can be used for further protection as appropriate. Drinking Water Source Protection Zones are delineated by the State of Utah. Protecting them is critical for maintaining clean safe water for human consumption. No surface occupancy will be allowed in Zones 1-3, and Transient (T) Zones T2 and T4.

<u>Issue #6: Fisheries</u> – Activities associated with post-leasing oil and gas exploration and development could cause an increase in sedimentation and otherwise degrade cold water aquatic habitat and watershed conditions, resulting in changes in habitat, food production, and declining recruitment of trout, and reduce the sustainability of native trout populations.

Response: Alternative C places a NSO stipulation on all perennial waters within 300 from the water's edge. Current literature shows that overland sediment transport distances increase with slope, and decrease with the complexity of the riparian buffer zone. However, overland flows rarely transport sediment more than 300 feet even on 47 percent and steeper slopes. Therefore, a 300 foot riparian buffer is capable of controlling overland sediment flows on most slopes and would therefore adequately protect resident trout and their habitat from overland sediment movement resulting from new roads built for oil and gas development.

<u>Issue #7: Vegetation</u> – Activities associated with post-leasing oil and gas exploration and development could cause individual endangered, threatened, sensitive, and/or MIS plants or plant populations to be negatively impacted. Noxious weed populations could increase as a result of ground disturbance associated with oil and gas exploration and development.

Response: Alternative C requires no surface occupancy within one mile of known federally Threatened, Endangered, or Proposed plant populations nor within 1 mile of Sensitive plant locations covered under a conservation agreement.

The NSO stipulation greatly reduces the potential for impacts to these species as lands known to support them will not be affected by surface disturbance. Plant species of concern are further protected by the attachment of a Lease Notice that requires survey for sensitive and MIS plants prior to any ground disturbing activities at the APD stage. We believe these measures adequately protect this resource.

The Fishlake and Dixie National Forest have specified operation and reclamation standards for lands we administer that mitigate noxious weed increase due to oil and gas exploration and development. These standards are detailed in Appendix F of the FEIS.

<u>Issue #8: Air Quality</u> – Activities associated with post-leasing oil and gas exploration and development could result in emitting atmospheric pollutants including fine particulates, NOx, and volatile organic compounds, degrading air quality.

Response: The anticipated effects of post leasing exploration, development and production on air quality are also discussed in the FEIS. Analysis of these effects essentially followed the process outlined in the Memorandum of Understanding (MOU) Regarding Air Quality Analysis and Mitigation for Federal Oil and Gas Decisions through the National Environmental Policy Act Process (June 23, 2011). The analysis included collaboration with the EPA and other federal government agencies and used modeling processes prescribed in the MOU. Air quality goals have been met by requiring protective measures of the Oil and Gas Construction and Operating Standards and Well Site Design Requirements (Appendix C of the Final EIS), CSU – 03, and a

Lease Notice. Direction for further analysis of impacts to mitigation measures for air quality will also be required for any future exploration, development and production.

<u>Issue #9: Social/Economic</u> – Lack of opportunities to lease federal land for oil and gas exploration and development could cause a shortage of domestic oil and gas supplies, and result in high prices for gas and oil. A shortage of domestic oil and gas supply results in dependence on foreign energy supplies.

Response: Our decision allows for the generation of individual income through oil and gas resource exploration and development. It also would provide for additional income to associated counties if leasing occurs. Our review indicates the lands available for leasing will allow for development at the reasonably foreseeable level. We believe given the likely level of development that has been predicted, an appropriate balance between revenue and resource protection is achieved. Alternative C allows economic benefits from oil and gas resources, and potential oil and gas supply while protecting other uses of the forest that also bring economic benefits to the area.

Consideration of DEIS Comments in the Rationale for the Decision

Eight letters were received during the DEIS comment period. All letters were reviewed by us and the interdisciplinary team members. Individual letters are on file in the project record at the Fishlake National Forest Supervisor's Office.

In reviewing the comments received on the DEIS, we believe that our decision addresses the concerns raised by the public. Of the 8 comment letters received, the primary concerns expressed were about wildlife, air quality, water quality, and cultural resources (specifically the Old Spanish Trail). All public comments are responded to in detail in Appendix G of the FEIS. In our rationale above, we discussed how our decision responded to specific comments from the public and cooperating agencies. While this decision will not satisfy all of the commenters, we believe it does respond best to the suite of comments we received.

Cooperating Agencies and Our Decision

There were two cooperating agencies designated at the onset of this project. The cooperating agencies that have been identified and their respective roles are the BLM (Jurisdictional) and State of Utah (Special Expertise). The State of Utah played a valuable role in representing their constituents. The BLM has shared jurisdiction in the leasing of Federal minerals. We believe cooperating throughout this process we eliminated redundancy in our processes and increased the success of applying environmentally sound techniques to oil and gas operations on the Forest in the future.

Conclusion of Rationale for Our Decision

Alternative C allows leasing on a significant portion of the lands administered by the Fishlake National Forest and contains lease terms and stipulations that protect surface resources and ensure sustainability of the natural resources. In choosing Alternative C we have weighed the need for resource protection with the desire to make oil and gas leasing possible and profitable in keeping with the Forest Service national policy on minerals (FEIS pg. S-1).

Among other issues comments on the draft EIS were concerned with the range of alternatives analyzed. Alternative C was developed to respond to commenters looking to better balance the opportunity to lease with protection for roadless areas, riparian areas, and important wildlife habitat. Alternative C provides significantly more environmental protection measures while allowing leasing on the same number of acres as Alternative B. Alternative C provides the same protection for inventoried roadless areas as Alternative D but our decision allows access to the subsurface resource. We believe that our decision has achieved that balance therefore it best meets the concerns of the Forest Service and the public to allow leasing and protect surface and subsurface resources.

Alternative B would allow leasing on the same number of acres as Alternative C. However, based on the analysis in the FEIS, we found that it does not provide as well for protection of key resource features such as inventoried roadless areas, aquatic resources, and wildlife habitat.

Alternative D would not allow leasing in inventoried roadless areas. In fact, under Alternative D, over 1.2 million acres (72.6% of the Forest land) would not be available for leasing at all. Under Alternative C all National Forest System land would be open for leasing and the surface resources including inventoried roadless areas would be protected through stipulations, lease notices and SLT&C. While we have a responsibility to protect the environment, we felt that Alternative D was more stringent than legally or environmentally necessary for protection of IRA values. Alternative D did not place any protection on sage-grouse habitat. We did not feel this was adequate protection given the recent finding by U.S. Fish and Wildlife Service that greater sage-grouse were warranted but precluded from listing under the Endangered Species Act.

PUBLIC INVOLVEMENT PROCESS

The NOI for this EIS was published on July 7, 2006 in the Federal Register, Volume 71, No. 130, pages 38602 – 38604. The publication of the NOI initiated the formal 45-day scoping period. The project has been listed in the quarterly SOPA since April 1, 2006.

A public breakout session regarding the oil and gas leasing analysis and preparation of this EIS was conducted during the Dixie and Fishlake Forest Plan Forum on June 28, 2006.

A legal notice was published in the Richfield Reaper on July 5, 2006. News releases with project scoping information were also published in several supplemental publications in June 2006, including the Garfield County Insider, Millard County Chronicle Progress, Richfield Reaper, and Wayne County Insider. Letters were sent to 250 individuals and organizations, and six public meetings were conducted in Beaver, Fillmore, Junction, Loa, Richfield, and Salina, Utah. Due to the time lapse between initial scoping and release of a DEIS, a Corrected NOI was published January 18, 2011 in the Federal Register, Volume 76, No. 11, pages 2881 – 2882.

A Notice of Availability was published in the Federal Register on October 21, 2011 for the DEIS, commencing the 45 day formal comment period, which concluded on December 5, 2011. After receiving comments about not having access to the air quality monitoring report which is referenced in the DEIS, the Fishlake National Forest made the document available and issued a Notice of Availability in the Federal Register on February 17, 2012 to extend the formal comment period for another 45 days.

ALTERNATIVES STUDIED IN DETAIL

Four alternatives are considered in detail (FEIS Chapter 2). Alternative C was developed in consideration of comments received during the scoping period.

Alternative A (No Action/No Lease)

No lands would be available or authorized for oil and gas leasing. This constitutes the no action alternative as well as a no lease alternative (FEIS Section 2.2.1 on pg. 28).

Alternative B

Under Alternative B (FEIS Section 2.2.2 on pg. 30) the total land administratively available for leasing is approximately 1,707,810 acres. All of the land administratively available would be authorized for lease under this alternative. STL&C would apply on 878,369 acres (about 51% of the land available). The CSU stipulation would apply on 827,775 acres, or about 49% of the available land. Alternative B places the NSO stipulation on about 1,665 acres, less than 1% of the available land.

Alternative C (Proposed Action)

The total land administratively available for leasing under Alternative C (FEIS Section 2.2.3 on pg. 32) is approximately 1,707,810 acres. All of the land administratively available would be authorized for lease with 62,468 acres (3.7%) under SLT&C, about 82,359 acres (4.8%) under a TL stipulation, 209,120 acres (12.2%) under a CSU stipulation, and 1,353,863 acres (79%) under a NSO stipulation.

Alternative D ("SMU" Alternative)

The total land administratively available for leasing under Alternative D (FEIS Section 2.2.4 on pg. 35) is approximately 1,707,810 acres. About 1,239,352 acres (73%) would not be authorized for lease under this alternative. These acres include all IRAs. About 32,002 (2%) acres would be leased under SLT&C. A CSU stipulation would apply on about 27,714 acres (1%), and 408,740 acres (24%) would be under a NSO stipulation.

ALTERNATIVES CONSIDERED BUT NOT STUDIED IN DETAIL

As a result of comments made during the initial scoping period, the following alternative was considered and then dismissed from detailed analysis for the following reasons:

An alternative that would make all legally open lands available for leasing with the NSO stipulation was considered but dismissed. Consideration of the NSO stipulation for specific areas was included in some of the action alternatives. A Forest-wide NSO alternative would not be reasonable or justified for all areas administered by the Fishlake National Forest, nor would it be consistent with national and Forest Service policy on minerals exploration and development.

SIGNIFICANCE OF FOREST PLAN AMENDMENTS

The "significance" of an amendment must be determined. It is important to note that there is a difference between "significance" of the change to a forest plan and "significance" of the

environmental impacts of the Proposed Action as defined by the Council on Environmental Quality (CEQ).

These forest plan amendments were developed during the planning rule transition period pursuant to 36 CFR 219.17(b)(3), which allows use of the provisions of the prior planning regulation, including its transition provisions (36 CFR 219, published at 36 CFR parts 200 to 299, revised as of July 1, 2010). Under the transition provisions, our determination of "significance" for a forest plan amendment is based on the following criteria defined in the Forest Service Manual 1920, section 1926.52, per Regional Forester letter dated August 9, 2007:

 Changes that would significantly alter the long-term relationship between levels of multiple-use goods and services originally projected.

The amendment to the Fishlake LRMP will not significantly alter the levels of multiple-use goods and services projected in the Fishlake LRMP, Chapter 4, Section C. The amendment changes the number of acres available for oil and gas leasing on lands administered under the Fishlake LRMP to approximately 1,454,511 acres. The amendment makes no changes to affect other goods and services. The amendment will not significantly alter the long-term relationship between levels of multiple-use goods and services projected in the Fishlake LRMP, Chapter 4, Section C.

The amendment to the Dixie LRMP changes the number of acres available for oil and gas leasing on the Dixie National Forest from 1,478,227 acres to 1,731,526 acres. This change is from the addition of acreage located on the Teasdale portion of the Fremont River Ranger District. The amendment makes no changes to affect other goods and services. The amendment will not significantly alter the long-term relationship between levels of multiple-use goods and services projected in the Dixie LRMP, Chapter 5, Section C.

Changes that may have an important effect on the entire land management plan or affect land and resources throughout a large portion of the planning area during the planning period.

The amendment designates 1,454,511 acres of lands administered under the Fishlake LRMP as administratively available for leasing under specific resource protecting stipulations. If the entire gross surface disturbance estimated in the Reasonably Foreseeable Development Scenario were to occur over the next 15 years, including well pads, production facilities, pipelines and powerlines, there would be approximately 1420 acres of disturbance prior to reclamation, approximately 1035 of the acres managed under the Fishlake LRMP.

The amendment designates an additional 253,299 acres of lands available for leasing under specific resource protecting stipulations managed under the Dixie LRMP. These acres account for less than 15% of the acres administered under the Dixie LRMP. They are in addition to the 1,478,227 acres of lands administered by the Dixie National Forest previously determined to be administratively available for leasing under specific resource protecting stipulations (Dixie National Forest Oil and Gas Leasing ROD, 8/23/2011). If the entire gross surface disturbance estimated in the Reasonably Foreseeable Development Scenario were to occur over the next 15 years, including well pads,

production facilities, pipelines, and powerlines, there would be approximately 1420 acres of disturbance prior to reclamation, approximately 385 of the acres managed under the Dixie LRMP.

Based on the criteria in Forest Service Manual 1920, Chapter 1926.52, our determination is that the amendment to the Fishlake LRMP is not significant, and the amendment to the Dixie LRMP is not significant.

FINDINGS OF CONSISTENCY WITH LAWS, REGULATIONS, & POLICY

Numerous laws, regulations, and agency directives require that our decision be consistent with their provisions. Our decision is consistent with all laws, regulations and agency policy relevant to this project. The following discussion is intended to provide information on the regulations that apply to areas raised as issues or comments by the public or other agencies.

The National Forest Management Act of 1976 (PL-94-588)

Management activities are to be consistent with the Forest Plan [p16 USC 1604 (i)]. The Forest Plan guides management activities [36 CFR 219.1(b)]. Our decision to implement Alternative C is consistent with the intent of the Dixie and Fishlake Forest Plans' forest-wide goals and objectives. Our decision and Forest Plan Amendment Numbers 17 (Fishlake LRMP) and 25 (Dixie LRMP) do not change any Forest Plan goal or objective, nor does it alter any management area boundary. Our decision meets the direction, standards and guidelines of the Forest Plan as is documented in the EIS and project record.

Endangered Species Act (ESA)

Wildlife and fisheries biologists and plant ecologists evaluated Alternative C with regard to threatened and endangered animal and plant species. Findings are summarized in Chapter 3 of the FEIS and in the Biological Assessment (BA).

Formal consultation was completed with the USDI Fish and Wildlife Service, and a Biological Opinion was issued January 19, 2012. The opinion issued was that the proposed action was not likely to jeopardize the continued existence of the five threatened and endangered animal and plant species that are or may be found in the analysis area.

Lease notices for federally listed species were incorporated into the proposed action and are part of the decision to preclude or minimize adverse effects to these species and to meet the conditions of the biological opinion. Based on these measures and the threatened and endangered animal and plant species analysis in Chapter 3, we have concluded that the decision is consistent with the Endangered Species Act.

Migratory Bird Treaty Act (Executive Order 13186)

On August 1, 2007, the National Forests in Utah formalized an updated state-wide strategy for addressing migratory birds in USFS planning and project documents. The bird species selected for this analysis were derived from a compilation of species included in the Utah Partners in Flight Conservation Strategy, the Utah Comprehensive Wildlife Conservation Strategy, and the USFWS' Birds of Conservation Concern bird lists. On December 8, 2008, the Chief of the USFS signed a national-level memorandum of understanding with the Director of USFWS. The Final EIS analysis regarding migratory birds is compliant with the terms of that memorandum. Oil and gas leasing on the Fishlake N.F. with BMPs properly implemented, including appropriate

surveys and mitigations (of the location) prior to disturbance, is in compliance with the Migratory Bird Treaty Act and Executive Order 13186.

Executive Order 13186 of January 10, 2001

A lease notice included in our decision informs operators that surveys for nesting migratory birds may be required during migratory bird breeding season whenever surface disturbances and/or occupancy is proposed in association with fluid mineral exploration and development within priority habitats. Based on the result of the field survey, the authorized officer will determine appropriate buffers and timing limitations. Our decision is in compliance with this Executive Order for the Conservation of Migratory Birds.

Clean Water Act

NSO stipulations outlined in Appendix A of the FEIS and incorporated into the Forest Plans in Amendments 17 (Fishlake LRMP) and 25 (Dixie LRMP), which we have adopted as part of our decision, are designed to minimize impacts to soil productivity and protect water quality. All permits required by this Act and associated management agencies will be obtained. Based on these measures and the Soil and Water Quality analysis in Chapter 3, we have concluded that the decision is consistent with the Clean Water Act.

Executive Order 11990 of May 1977

This order requires the Forest Service to take action to minimize destruction, loss, or degradation of wetlands and to preserve and enhance the natural and beneficial values of wetlands. In compliance with this order, Forest Service direction requires that an analysis be completed to determine whether adverse impacts would result.

Wetlands within the project area were identified. A NSO stipulation was applied to the selected Alternative expressly for the purpose of protecting wetlands relative to this executive order. Our decision is in compliance with EO 11990.

Executive Order 11988 of May 1977

This order required the Forest Service to provide leadership and take action to (1) minimize adverse impacts associated with occupancy and modification of floodplains and reduce risk of flood loss, (2) minimize impacts of floods on human safety, health, and welfare, and (3) restore and preserve natural and beneficial values served by floodplains.

Smaller mountain streams, like those on lands administered by the Fishlake National Forest, are often constrained by geology and have narrow floodplains that may be contained entirely within the riparian area. As a result, they would generally be protected by NSO stipulations that have been applied to riparian areas. Our decision is in compliance with EO 11988.

Environmental Justice and Civil Rights

Executive Order 12898, issued in 1994 ordered Federal Agencies to identify and address any adverse human health and environmental effects of agency programs that disproportionately impact minority and low-income populations. Impacts of this project on local populations and economies are reviewed in Section 3.13 of the FEIS. Given existing populations and expected impacts, leasing federal land and developing associated oil and gas reserves in the area would not disproportionately impact any human populations. The Civil Rights Act of 1964 provides for non-discrimination in voting, public accommodations, public facilities, public education, federally assisted programs, and equal employment opportunity. Title VI of the Act, Non-discrimination in Federally Assisted Programs, as amended (42 US.C. 2000d through 2000-d6) prohibits discrimination based on race, color, or national origin. Our decision identifies lands available for

leasing and those stipulations necessary for protection of non-mineral resources. Actual leasing of federal resources with associated development and production is administered by the BLM who is under the same requirements to provide non-discrimination. This decision complies with the Civil Rights Act.

American Antiquities Act of 1906 and National Historic Preservation Act of 1966

The Forest Service has made the determination that this proposed undertaking will result in No Historic Properties Affected [36CFR 800.4(d) (1)]. No surface occupancy stipulations will protect existing cultural and historical resources. In addition, lease notices dictate surveys are conducted prior to ground disturbing activities and if cultural resources are encountered mitigation measures protecting these resources will be required. Based on these measures and the cultural resources analysis in Chapter 3, we have concluded that the decision is consistent with the American Antiquities and National Historic Preservation Acts.

Executive Order 13112, Invasive Species, February 3, 1999

This Executive Order directs Federal Agencies, whose actions may affect the status of invasive species, to (i) prevent the introduction of invasive species, (ii) detect and respond rapidly to, and control, populations of such species in a cost-effective and environmentally sound manner, as appropriations allow. The operation and reclamation standards detailed in Appendix F of the FEIS mitigate noxious weed increase due to oil and gas exploration and development. Our decision is in compliance with EO 13112.

Energy Policy Act of 2005 (Public Law 109-58)

Development of reliable domestic sources of energy is encouraged under Public Law 109-58. Dixie LRMP forest-wide goal of minerals management include "to administer the mineral resources of the Forest to provide for the needs of the American people and to protect and conserve other resources (Dixie LRMP pg. IV-9). Fishlake LRMP forest-wide goal of minerals management includes "Encourage mineral exploration, development and extraction consistent with management of surface resources (Fishlake LRMP pg. IV-5). We find our Decision is consistent with Public Law 109-58.

ENVIRONMENTALLY PREFERABLE ALTERNATIVE

When considered within the geographic scope of this analysis, Alternative D is the environmentally preferred alternative. There would be no new leasing on 1,239,352 acres of the Forest under Alternative D. Additionally in Alternative D the acres that are available for leasing would be leased under protective stipulations.

CEQ regulations (40 CFR 1505.2 (c) direct the decision maker to state whether all practicable means to avoid or minimize environmental harm from the alternative selected have been adopted, and if not, why they were not.

The selected alternative of Alternative C minimizes environmental harm from action due to the large amount of the Forest where NSO stipulations would be applied. The variety of stipulations prescribed for the remaining portion of the Forest minimizes environmental harm to the biological and cultural resources.

IMPLEMENTATION

The decision identified in the Record of Decision shall be implemented in the following manner:

- 1. If no appeal is received, implementation of this decision may occur on, but not before, five business days from the close of the appeal filing period. If an appeal is received, implementation may not occur for 15 days following the date of appeal disposition.
- 2. In accordance with 36 CFR 228.102(d), we shall notify the BLM as to the leasing decisions that we have made.
- 3. In accordance with 36 CFR 228.102(e), this environmental analysis will be reviewed when specific parcels are considered for leasing, and the BLM will be authorized to offer specific lands for lease subject to:
 - (a) Verifying that oil and gas leasing of specific lands has been adequately addressed in a NEPA document and is consistent with the Forest Plan,
 - (b) Ensuring that conditions of surface occupancy identified in the NEPA document are included as stipulations in resulting leases, and
 - (c) Determining that operations could be allowed somewhere on each lease, except where stipulations will prohibit all surface occupancy.
- 4. If the lands in the parcels do not receive a bid at a sale, they will be available for non-competitive offers for a two-year period.
- 5. Following lease issuance, a lessee/operator may submit an Application for Permit to Drill (APD) and Surface Use Plan of Operations (SUPO). A lessee/operator may not conduct on-the-ground actions without an approved APD and SUPO. The BLM will forward the APD and the SUPO to the Forest Service. An environmental analysis will be conducted on the APD and SUPO proposal. The APD and SUPO decisions are not being made in this Record of Decision. The Deciding Officers of that environmental analysis may (a) Approve the plan as submitted, (b) Approve the plan subject to specific conditions of approval; or (c) Disapprove the plan with stated reasons (36 CFR 228.107).

APPEAL PROCEDURES

This decision is subject to the administrative appeal procedures ("optional appeal procedures") available during the planning rule transition period pursuant to 36 CFR 219.17(b)(3), which allows use of the provisions of the prior planning regulation, including its transition provisions (36 CFR 219, published at 36 CFR parts 200 to 299, revised as of July 1, 2010). As allowed under the transition provisions at 36 CFR 219.35(b) of the prior planning regulation, the responsible officials have chosen to use the optional appeal procedures described in Appendix A to Section 219.35 of the prior planning regulation and published at 54 FR 3357 (January 23, 1989), as amended at 54 FR 13807 (April 5, 1989); 54 FR 34509 (August 21, 1989); 55 FR 7895 (March 6, 1990); 56 FR 4918 (February 6, 1991); 56 FR 46550 (September 13, 1991); and 58 FR 58915 (November 4, 1993).

Pursuant to 54 FR 3357, other than Forest Service employees, any person or any non-Federal organization or entity may challenge this decision and request a review by the Forest Service line officer at the next administrative level. The reviewing officer for this decision is the Regional Forester, Region 4.

Any notices of appeal must be fully consistent with the optional appeal procedures as described in Appendix A of Section 219.35 of the prior planning regulation. At a minimum, a written notice of appeal filed with the reviewing officer must:

- 1. State that the document is a notice of appeal filed pursuant to 36 CFR 219.17(b)(3);
- 2. List the name, address, and telephone number of the appellant;
- 3. Identify the decision about which the requester objects;
- 4. Identify the document in which the decision is contained by title and subject, date of the decision, and name and title of the deciding officer;
- 5. Identify specifically that portion of the decision or decision document to which the requester objects;
- 6. State the reasons for objecting, including issues of fact, law, regulation, or policy, and, if applicable, specifically how the decision violates law, regulation, or policy; and
- 7. Identify the specific change(s) in the decision that the appellant seeks.

Consistent with these procedures, a written notice of appeal must be hand-delivered, postmarked by the Postal Service, faxed, or e-mailed to the Appeal Reviewing Officer within 45 calendar days beginning the day after the date of publication of the legal notice of this decision in *The Richfield Reaper* and *The Spectrum*, newspapers of record. Written notices of appeal must be sent to: Appeal Reviewing Officer, Intermountain Region USFS, 324 25th Street, Ogden, Utah 84401 (or fax to 801-625-5277). The office business hours for those submitting hand-delivered appeals are: 8:00 a.m. to 4:30 p.m., Monday through Friday, excluding holidays. Electronic appeals must be submitted in a format such as an email message, pdf, plain text (txt), rich text format (rtf), or Word (doc or docx) to: appeals-intermtn-regional-office@fs.fed.us. The notice of appeal must have an identifiable name attached, or verification of identity will be required. A scanned signature may serve as verification on electronic appeals.

CONTACT FOR FURTHER INFORMATION

For further information regarding this project contact Rob Hamilton, Minerals Program Manager, at 115 E. 900 N., Richfield, UT 84701 or phone 435-896-1022.

ALLEN ROWLEY
Forest Supervisor

Fishlake National Forest

ANGELITA BULLETTS

Forest Supervisor

Dixie National Forest

Date

Date

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